

CATO TOWNSHIP
MONTCALM COUNTY, MICHIGAN
59-1040
AUDIT REPORT

JUNE 30, 2004

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name CATO TOWNSHIP	County MONTCALM
Audit Date 6-30-2004	Opinion Date 8-25-2004	Date Accountant Report Submitted to State: 9-28-2004	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

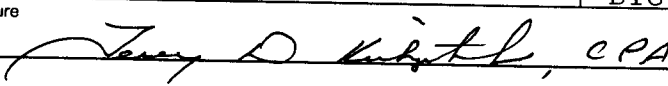
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) TERRY KIRKPATRICK, CPA, PC			
Street Address 211 MAPLE STREET	City BIG RAPIDS	State MI	ZIP 49307
Accountant Signature 		Date 9-20-04	

CONTENTS

	<u>Page Number</u>
Independent Auditor's Report	1
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Assets	2
Statement of Activities	3
Governmental Fund Financial Statements	
Balance Sheet	4
Statement of Revenues, Expenditures and Changes in Fund Balance	5
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	6
Fiduciary Fund	
Statement of Net Assets	7
Notes to Financial Statements	8-11
Required Supplemental Information	
Budgetary Comparison Schedule – General Fund	12
Budgetary Comparison Schedule – Fire Millage Fund	13
Other Supplemental Information	
Combining Balance Sheet – Non-Major Governmental Funds	14
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Non-Major Governmental Funds	15

BASIC FINANCIAL STATEMENTS

TERRY KIRKPATRICK, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

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Independent Auditor's Report

To the Township Board
Cato Township, Montcalm County

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cato Township, Montcalm County, Michigan, as of and for the year ended June 30, 2004, which collectively comprise Cato Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Cato Township, Montcalm County, Michigan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Cato Township, Montcalm County, Michigan, as of June 30, 2004, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Township of Cato has implemented a new financial reporting model, as required by provisions of GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments*, as of June 30, 2004. However, management has elected not to present the Management's Discussion and Analysis portion of the financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Cato Township, Montcalm County, Michigan basic financial statements. The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Terry Kirkpatrick, CPA, P.C.

Big Rapids, Michigan
August 25, 2004

Cato Township – Montcalm County, Michigan

Government Wide Statement of Net Assets

June 30, 2004

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 244,384
Receivables - Other Governmental Units	38,093
Capital Assets (Net)	<u>40,700</u>
Total assets	<u>\$ 323,177</u>
LIABILITIES	
Accounts Payable	\$ 1,600
NET ASSETS	
Invested in capital assets, net of related debt	40,700
Unrestricted	<u>280,877</u>
Total net assets	<u>321,577</u>
Total liabilities and net assets	<u>\$ 323,177</u>

The "Notes to Financial Statements" are an integral part of these statements.

Cato Township – Montcalm County, Michigan
Government Wide Statement of Activities
For the Year Ended June 30, 2004

	Expenses	Program Revenues Charges for Services	Operating Grants	Governmental Activities Net (Expense) Revenue and Changes in Net Assets
PRIMARY GOVERNMENT				
General Government	\$ 118,292 \$	12,376 \$	0 \$	(105,916)
Public Safety	53,485	56,710	0	3,225
Public Works	124,887	0	0	(124,887)
Other Functions	8,071	0	0	(8,071)
Depreciation (unallocated)	1,700	0	0	(1,700)
Total primary government	\$ 306,435 \$	69,086 \$	0 \$	(237,349)

General Revenues	
Taxes	
Property tax, levied for general operations	67,881
State revenue sharing, unrestricted	125,457
Interest earnings	5,825
Other	24,995
Total general revenues	224,158
Change in Net Assets	
Net assets - Beginning of year	(13,191)
Net assets - End of year	334,768
	\$ 321,577

The "Notes to Financial Statements" are an integral part of these statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Cato Township – Montcalm County, Michigan
 Governmental Fund Balance Sheet
 June 30, 2004

	General Fund	Fire Millage Fund	Non-Major Governmental Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 184,780	\$ 37,006	\$ 22,598	\$ 244,384
Due from Other Funds	1,517	0	326	1,843
Receivable from Other Governments	26,944	5,218	5,910	38,072
Total assets	\$ 213,241	\$ 42,224	\$ 28,834	\$ 284,299
LIABILITIES AND FUND EQUITY				
Accounts Payable	\$ 1,600	\$ 0	\$ 0	\$ 1,600
Due to Other Funds	326	1,496	0	1,822
Fund Balance - Unreserved and Undesignated	211,315	40,728	28,834	280,877
Total liabilities and fund equity	\$ 213,241	\$ 42,224	\$ 28,834	\$ 284,299

Reconciliation of the Balance Sheet of Governmental Funds to
 the Statement of Net Assets

Total Governmental Fund Balances	\$ 280,877
Amounts reported for governmental activities in the statement of net assets are different because:	
capital assets used in governmental activities are not financial resources, and are not reported in the funds.	
Cost of capital assets, net of depreciation	40,700
Net assets of governmental activities	\$ 321,577

The "Notes to Financial Statements" are an integral part of these statements.

Cato Township – Montcalm County, Michigan
Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2004

	General Fund	Fire Millage Fund	Non-Major Governmental Funds	Total Government Funds
REVENUES				
Property Tax	\$ 67,881	\$ 56,710	0	\$ 124,591
Licenses and Permits	2,856	0	0	2,856
State Grants	125,457	0	0	125,457
Charges for Services	9,520	0	0	9,520
Interest and Rents	5,606	120	99	5,825
Other Revenue	1,355	0	23,640	24,995
Total revenues	212,675	56,830	23,739	293,244
EXPENDITURES				
General Government	116,026	0	2,266	118,292
Public Safety	7,025	46,460	0	53,485
Public Works	105,384	0	19,503	124,887
Other Functions	8,071	0	0	8,071
Total expenditures	236,506	46,460	21,769	304,735
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(23,831)	10,370	1,970	(11,491)
Fund Balance - July 1, 2003	235,146	30,358	26,864	292,368
Fund Balance - June 30, 2004	\$ 211,315	\$ 40,728	\$ 28,834	\$ 280,877

The "Notes to Financial Statements" are an integral part of these statements.

Cato Township – Montcalm County, Michigan

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2004

Net Change in Fund Balances - Total Government Funds	\$ (11,491)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation

Depreciation expense	<u>(1,700)</u>
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Change in Net Assets of Governmental Activities	<u>\$ (13,191)</u>
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The "Notes to Financial Statements" are an integrated part of these statements.

Cato Township – Montcalm County, Michigan

Fiduciary Fund
Statement of Net Assets
June 30, 2004

Agency Fund Type
Property Tax Collection Fund

ASSETS

Cash and Cash Equivalents

\$ 814

LIABILITIES

Due to Other Governmental Units

\$ 793

Due to General Fund

21

Total liabilities

\$ 814

The "Notes to Financial Statements" are an integrated part of these statements.

Cato Township – Montcalm County, Michigan

Notes to Financial Statements
For the Year Ended June 30, 2004

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Cato Township conform to accounting policies generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Cato Township:

Reporting Entity

The Township is governed by an elected, five-member, Board. The accompanying financial statements present the government and its component units; entities for which the government is considered to be financially accountable. Based on the application of the criteria, the Township does not contain any component units.

Government – Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Based Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be “available” if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes – Cato Township’s property tax is levied on each December 1st on the taxable valuation of property located within Cato Township as of the preceding December 31st.

Cato Township – Montcalm County, Michigan

Notes to Financial Statements - Continued

For the Year Ended June 30, 2004

Although the Cato Township 2003 ad valorem tax is levied and collectible on December 1, 2003, it is Cato Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations.

The 2003 taxable valuation of Cato Township totaled approximately \$57,800,000, on which ad valorem taxes levied consisted of .8124 mills for the Township operating purposes and an additional .9737 mills for fire protection. These amounts are recognized in the respective General and Special Revenue Fund financial statements as Due from Montcalm County and/or as a tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted-for in another fund.

The Fire Millage Fund is used to record property tax and interest for expenditures to the Lakeview District Fire Department for fire protection.

Additionally, the Township reports the following fund types:

The Township reports a Fiduciary Fund (Agency Fund). This fund accounts for taxes and special assessments collected by the Township as an agent for other taxing units. Fiduciary Fund net assets and results of operations are not included in the government-wide financial statements. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Township reports a non-major special revenue fund for a special assessment district known as Honeymoon Heights, which provides care for roads and street lighting for its district.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Assets, Liabilities and Net Assets or Equity

Deposits and Investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are state at fair value.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds".

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st and are considered delinquent on March 1st of the following year, at which time interest and penalties are assessed.

Capital Assets – Capital assets, which include property, plant and equipment assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Building	50 years
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Cato Township – Montcalm County, Michigan

Notes to Financial Statements - Continued

For the Year Ended June 30, 2004

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental units. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, activity and line items. The legal level of budgetary control adopted by the governing body is the activity level. State law requires the Township have its budget in place by July 1st. Expenditures in excess of amounts budgeted is a violation of Michigan Law. State law permits a township to amend its budgets during the year. There were no significant amendments during the year.

NOTE C – DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations, which have an office in Michigan. The Township is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township has designated one bank for the deposit of Township Funds. The investment policy adopted by the Township Board in accordance with Public Act 196 of 1997 has authorized investment in bank accounts and certificates of deposit, but not the remainder of State statutory authority as listed above.

The Township's deposits and investment policy are in accordance with statutory authority.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 244,384

The bank balance of the primary government's deposits is \$247,039.56, of which \$157,812.94 is covered by federal depository insurance.

NOTE D – RECEIVABLES

Receivables as of year-end for the government's individual major and non-major funds are as follows:

	General	Fire Millage	Non-Major	Total
Taxes receivable	\$ 6,167	\$ 5,218	\$ 0	\$ 11,385
Special assessments	0	0	5,910	5,910
State revenue sharing	20,777	0	0	20,777
Total receivable	\$ 26,944	\$ 5,218	\$ 5,910	\$ 38,072

Cato Township – Montcalm County, Michigan

Notes to Financial Statements - Continued

For the Year Ended June 30, 2004

NOTE E – CAPITAL ASSETS

Capital asset activity of the governmental activities for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being Depreciated				
Land	\$ 5,000	0	0	\$ 5,000
Capital assets being depreciated				
Buildings	85,000	0	0	85,000
Less Accumulate depreciation for Buildings	(47,600)	(1,700)	0	(49,300)
Net capital assets	\$ 42,400	\$ (1,700)	\$ 0	\$ 40,700

Depreciation expense was not charged to activities as the Township considers its assets to impact multiple activities and allocation is not practical.

NOTE G – INTERFUND RECEIVABLES and PAYABLES

Receivable Fund	Payable Fund	Amount
General	Fire Millage	\$ 1,496
	Agency	21
Non – Major	General	326

NOTE H – RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation). The Township has purchased workers' compensation insurance for such claims. Settled claims relating to the workers' compensation insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAL INFORMATION

Cato Township – Montcalm County, Michigan

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Tax	\$ 66,000	\$ 66,000	\$ 67,881	\$ 1,881
Licenses and Permits	1,600	1,600	2,856	1,256
State Grants	120,350	120,350	125,457	5,107
Charges for Services	1,600	1,600	9,520	7,920
Interest and Rents	11,800	11,800	5,606	(6,194)
Other Revenue	200	200	1,355	1,155
Total revenues	201,550	201,550	212,675	11,125
EXPENDITURES				
General Government				
Township board	72,900	72,900	28,743	44,157
Supervisor	8,100	8,100	8,445	(345)
Elections	12,400	12,400	496	11,904
Assessor	21,700	21,700	19,814	1,886
Clerk	22,700	22,700	17,692	5,008
Board of review	2,100	2,100	885	1,215
Treasurer	25,500	25,500	22,334	3,166
Townhall	17,700	17,700	13,493	4,207
Cemetery	8,300	8,300	4,124	4,176
Public Safety				
Liquor law enforcement	500	500	384	116
Planning and zoning	7,900	7,900	6,641	1,259
Public Works				
Highways, streets & bridges	114,000	114,000	103,900	10,100
Drains - public benefit	1,500	1,500	1,484	16
Other Functions				
Social security/ medicare tax	6,400	6,400	4,432	1,968
DDA tax rebate	0	0	3,639	(3,639)
Total expenditures	321,700	321,700	236,506	85,194
Net changes in fund balance	(120,150)	(120,510)	(23,831)	96,319
Budgetary Fund Balance - July 1, 2003	235,146	235,146	235,146	0
Budgetary Fund Balance - June 30, 2004	\$ 114,996	\$ 114,996	\$ 211,315	\$ 96,319

Cato Township – Montcalm County, Michigan

Budgetary Comparison Schedule

Fire Millage Fund

For the Year Ended June 30, 2004

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Tax	\$ 34,000	\$ 34,000	\$ 56,710	\$ 22,710
Interest and Rents	0	0	120	120
Total revenues	34,000	34,000	56,830	22,830
EXPENDITURES				
Public Safety				
Fire protection	48,000	48,000	46,460	1,540
Net change in fund balance	(14,000)	(14,000)	10,370	24,370
BUDGETARY FUND BALANCE - July 1, 2003	30,358	30,358	30,358	0
BUDGETARY FUND BALANCE - June 30, 2004	\$ 16,358	\$ 16,358	\$ 40,728	\$ 24,370

OTHER SUPPLEMENTAL INFORMATION

Cato Township – Montcalm County, Michigan

Combining Balance Sheet

Non-Major Governmental Funds

June 30, 2004

Special Revenue Funds

Honeymoon Heights

ASSETS

Cash and Cash Equivalents	\$ 22,598
Due from General Fund	326
Due from Belvidere Township	450
Due from Montcalm County	5,460
Total assets	<u>\$ 28,834</u>

LIABILITIES AND FUND EQUITY

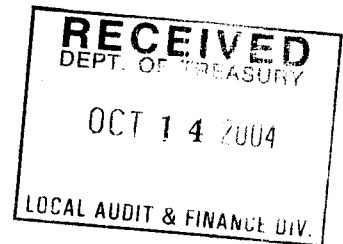
Fund Balance	
Unreserved and undesignated	<u>\$ 28,834</u>

Cato Township – Montcalm County, Michigan
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended June 30, 2004

	<u>Special Revenue Funds</u> <u>Honeymoon Heights</u>
REVENUES	
Interest and Rents	\$ 99
Other Revenue	23,640
Total revenues	<u>23,739</u>
EXPENDITURES	
Current	
General government	2,266
Public works	19,503
Total expenditures	<u>21,769</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,970
FUND BALANCE - July 1, 2003	<u>26,864</u>
FUND BALANCE - June 30, 2004	<u><u>\$ 28,834</u></u>

TERRY KIRKPATRICK, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

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Members of the Township Board
Cato Township
Montcalm County, Michigan

We have recently completed our audit of the general purpose financial statements of Cato Township for its year ended June 30, 2004. During this audit, we had an opportunity to observe accounting and financial procedures and many of your general management practices. As a result of our auditing procedures, there are some comments we want to present.

FINANCIAL RECORDS IN GOOD SHAPE

The Clerk and Treasurer have done a good job maintaining the financial records of Cato Township. Keep up the good work.

OTHER MATTERS

We want to thank your personnel for the courtesy and cooperation shown us by them during our audit.

You must mail two copies of the audit report and this letter to the Michigan Department of Treasury. A pre-addressed envelope has been provided for your convenience. If you have any questions regarding the above or the audit, please contact us.

Terry Kirkpatrick, CPA, P.C.
August 25, 2004